CAIR / CAMR Implementation Workgroup

Meeting #2

June 8, 2005

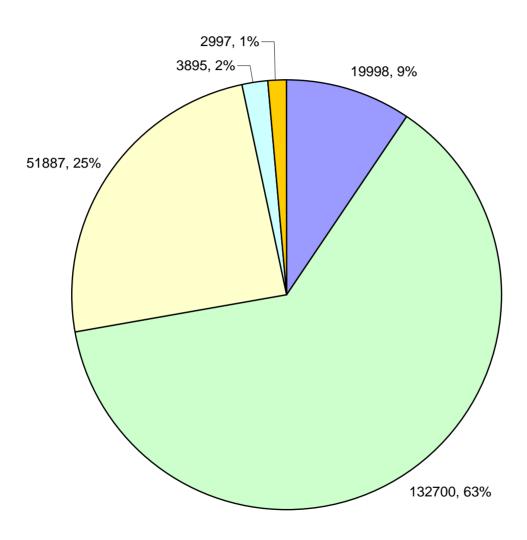
Overview

- Old Business
 - Clarifying information
 - Trading or state control plan recommendations
- New Business
 - Applicability and affected units
 - Critical variables
 - Information sources

- General Questions
 - CAIR BART Interactions
 - Currently, no BART trading mechanism proposed
 - Will accept issue specific recommendation(s)
 - CAIR Individual Pollutant Trading Flexibility
 - Confirmed that department can opt to utilize trading option for NOX or SO2 or both

- NOX and SO2 Inventory Review
 - Information compiled from 2002 emission inventory data
 - EGU Point source all electricity generation
 - Non-EGU Point source non electricity gen.
 - Non-Road Mobile source tractors, loaders, etc.
 - On-Road Mobile source cars, trucks, semi's...
 - Area Everything else home heating, lawn mowing, etc.

2002 Iowa SO2 emissions

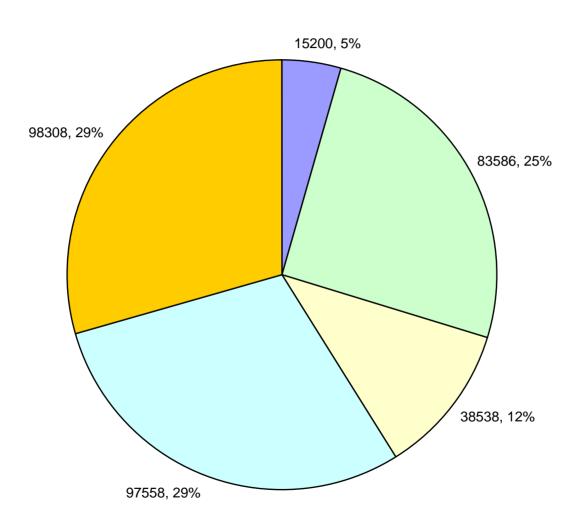








2002 Iowa NOX emissions



■ Area

□EGU

□NonEGU

■Nonroad

■Onroad

- Mobile Source Control Program Limits
 - States prohibited from adopting standards to control mobile source emissions, except in nonattainment areas
 - CAA, sections 177 and 209
 - State standards can not exceed EPA standards
 - Iowa Code 455B.133

- CAMR / Boiler MACT Interaction
 - EPA intended for programs to be mutually exclusive clarified in CAMR preamble
 - Boiler MACT Preamble (p. 55254, 63.7491) definition is slightly different than CAMR definition
 - CAMR Preamble IV(b)(1) Applicability
 - Two categories of new sources Utility Units and non-Utility
 Units (Which could include IB units, etc.)
 - Not explicitly stated Is this a correct interpretation?

- SIP Demonstration Resource Estimates
 - Non-CAIR Trading Option
 - SIP Demonstration Requirements (See last page of handout)
 - Very resource intensive
 - Not enough time to complete
 - Lack of expertise
 - Controversial
 - State program management costs

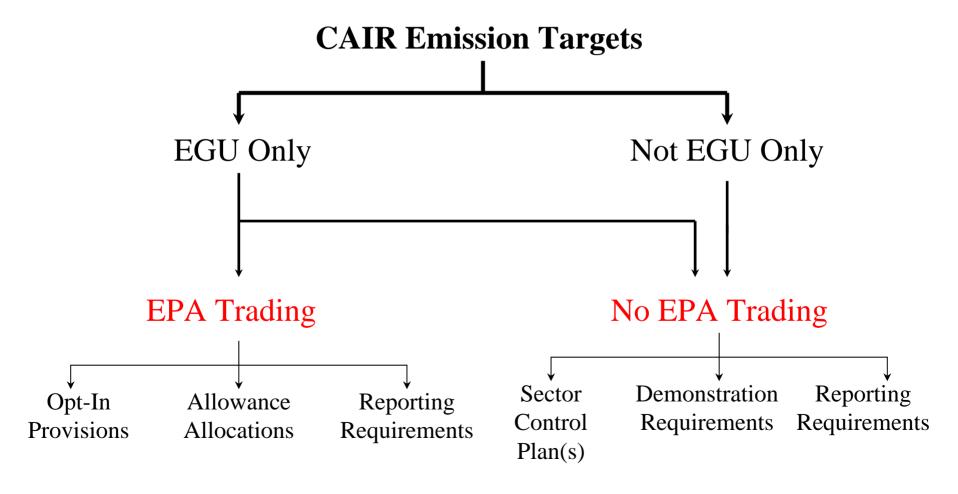
- Allocation Distribution Review
 - EPA Default Methodology
 - CAIR SO2
 - CAIR Annual NOX
 - CAIR Ozone Season NOX
 - CAMR Hg
 - Will discuss in future meetings

• Allocation Distribution Information – FYI

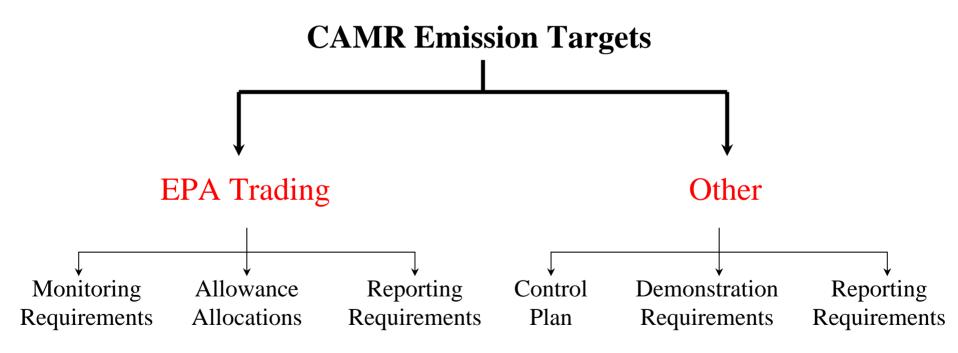
- http://www.epa.gov/interstateairquality/technical.html#NODA
 - Unit and Plant Level Annual Heat Input by Fuel Type
 - State-level Annual Heat Input by Fuel Type
 - Unit and Plant Level Ozone Season Annual Heat Input by Fuel Type
 - State-level Ozone Season Heat Input by Fuel
- http://www.epa.gov/ttn/atw/utility/utiltoxpg.html#TECH
 - State Mercury Allocations Revisions
 - Unit Mercury Allocations Revisions

- Discussion and Recommendations
 - Q & A and Discussion
 - EPA Trading Programs
 - CAIR
 - CAMR
 - State Control Programs
 - Recommendation write-ups
 - Volunteers

CAIR – EPA Trading or Not



CAMR – EPA Trading or Not



Next Steps

- Written recommendations e-mailed to Chad by June 15, 2005
- Recommendations will be circulated to group for review
- Final recommendations e-mailed to Chad by June 22, 2005
- Cancelled June 21 Meeting

Lunch Break

- Applicability
 - Goal: Identification of CAIR / CAMR affected units in the state
 - Universe of sources must be defined in order to proceed with further recommendations

- Applicability Challenges
 - Apparent definition mismatches
 - Rule definition: Serving at any time..., but
 - Preamble reference to Acid Rain exemptions
 - No guidance at this time
 - Data voids
 - Heat input
 - Nameplate capacity
 - Data collection timing Issues

- Applicability Starting Point
 - Simple categorization attempt
 - Acid Rain Program Units (ARPs)
 - Non- Acid Rain Program Units (NARPs)
 - Cogeneration Units (Cogens)
 - If-Evers
 - If ever attached to a 25 MW generator or to a common steam header

- Applicability
 - Standing questions for EPA
 - Will "CAIR Units" exactly match Acid Rain Units?
 - If not, where and why?
 - Will this include Acid Rain exempted units?
 - Can (has) a formal applicability determination be requested?
 - Do model rules address data collection needs?

- Applicability
 - Standing questions for Stakeholders
 - How do you interpret the rules / preambles?
 - What data are you providing and to whom?
 - DNR, EPA, DOE?
 - What data elements might be sensitive information?
 - Should data needs be incorporated into state rules

- Applicability
 - Acid Rain Program Units
 - What data is available?

- Applicability
 - Non-Acid Rain Program Units
 - What data is available?

- Applicability
 - Cogeneration Units
 - What data is available?

- Applicability
 - If-Ever Units

• What data is available?

- Additional Data Needs
 - What are critical variables
 - Heat input
 - Fuel type
 - Electricity output
 - Electricity and steam sales
 - Emission information (totals, rates, etc.)
 - Other?

- Discussion
 - Applicability
 - Initial data needs
 - Continuing data needs

Recap / Action Items

- June 21 meeting cancelled
 - Need to make progress on applicability
 - EPA State workshop in late June
- Written recommendations
 - Drafts e-mailed to Chad by June 15, 2005
 - Drafts circulated to group for review
 - Final drafts e-mailed to Chad by June 22, 2005
- Next Meeting Thursday, July 7, 10:00 3:00